

ARGUMENTS

1. Rejection of claims 1-11 and 13-28 under 35 U.S.C. § 103(a) as being unpatentable over *McClung* (U.S. Pub No. 2004/0143502).

The Examiner maintains that:

“When a consumer makes a purchase, the system inherently automatically “determines whether the item is purchased using a store credit card account” (language taken from Claim 1). The system knows if the user is making a purchase with a J.C. Penney card (which is an old and well ... known type of department store account) as opposed to a typical Visa card. This is, in fact, the inherency the Examiner relies on.”

Examiner’s Answer, Page 6, lines 8-12

Applicants respectfully disagree. Applicants respectfully submit that a payment acceptance system such as that disclosed in the *McClung* reference may receive information as to the method of payment for a purchase transaction, but may not necessarily “determine” whether a specific “item” was purchased with a using a store credit card account. For example, suppose that a consumer purchased multiple items in one transaction but provides partial payment in cash and partial payment via credit card. The system would recognize that the transaction has been completely paid for, but would not distinguish as to which items were paid for by cash and which items were paid for by credit card. The type of payment is only linked to the transaction as a whole and not to the individual items purchased. Therefore, a system such as that taught in *McClung* would not necessarily include information as to whether an item is purchased using a store credit card account. Therefore, the inherency relied upon by the Examiner is flawed.

Furthermore, Applicants respectfully submits that the Examiner has fundamentally mischaracterized the claimed features and the arguments presented by the Applicants. The Examiner states that:

“If the consumer is a member of the system, and doesn't use the appropriate store credit card, then whether the consumer is a member of the system or not is a moot point. It appears that the Appellant is attempting to rely on a technicality to overcome the rejection, when in fact, the technicality is not really available since the inherency should be easily understood when compared to the claim scope. Appellant's claims do not require a determination of whether a consumer is a member of the system or not. It only requires that a consumer uses the store account at a time of purchase.” Examiner's Answer, Page 6, lines 12-19.

Applicants respectfully submit that the claimed features provide different treatments for items purchased using a store credit card account versus those that are not (See, e.g., claim 1), and thus, in doing so, encourages the use of store credit cards. As discussed above, Applicants believe the inherency relied upon by the Examiner is flawed. Moreover, the claims do not require “that a consumer uses the store account at a time of purchase.” For example, as recited in claim 12, the price guarantee rebate is available to the customer if the customer transfers a balance to the store credit card at a later time.

The Examiner's also states that:

“By arguing hindsight, the Appellant is referring to obvious statements the Examiner made to combinations which only unite old elements with no change in their respective functions and which yield predictable results.” Examiner's Answer, Page 7, lines 19-22.

Applicants respectfully submit that the feature recited in the claims are not “combinations which only unite old elements with no change in their respective functions and which yield predictable results” because these features are simply not taught, shown or suggested by the cited references. *McClung* simply does not teach or suggest any different treatment between customers who used store credit cards to make a purchase and those who did not, since *McClung* discloses providing price

guarantees to customer without distinguishing treatments between customers who have store credit cards and those who do not. Therefore, there is no teaching or suggestion by *McClung* for notifying customers of the potential credits.

Therefore, the claims are believed to be allowable, and allowance of the claims is respectfully requested.

2. Rejection of claims 11, 12, 29 and 30 under 35 U.S.C. § 103(a) as being unpatentable over *McClung* in view of *Walker* (US Pub No. 2001/0042785)

The Examiner's also states that:

"Appellant argues a general statement that the references do not support the content of these claims, yet has not pointed to any specific reasoning for this assertion other than improper hindsight. Examiner has addressed his thoughts on improper hindsight in the above paragraph, with the same reasoning applying to this claim set." Examiner's Answer, Page 8, lines 2-6.

Applicants respectfully submit that the cited references simply do not provide any teaching or suggestion for any incentive for transferring balances, as previously stated the appeal brief.

Therefore, the claims are believed to be allowable, and allowance of the claims is respectfully requested.

3. Objection of claim 7 under 35 U.S.C. § 132(a)

Applicants withdraw the arguments/appeal with respect to this objection.

CONCLUSION

The Examiner errs in finding that:

1. Claims 1-11 and 13-28 are unpatentable over *McClung*; and
2. Claims 11, 12, 29, and 30 are unpatentable over of *McClung* in view of *Walker*.

Withdrawal of the rejections and allowance of all claims is respectfully requested.

Respectfully submitted, and
S-signed pursuant to 37 CFR 1.4,

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